



Christopher Bowen  
Managing Director and Chief Regulatory Counsel  
Legal Department

December 07, 2011

**VIA E-MAIL**

Mr. David Stawick  
Office of the Secretariat  
Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

**RE: Chicago Mercantile Exchange Inc. ("CME" or the "Exchange")  
Eurodollar/Euroyen/Euribor Volume Incentive Program  
CME Submission No. 11-485**

Dear Mr. Stawick:

CME hereby notifies the Commodity Futures Trading Commission ("Commission") that it plans to implement a volume incentive program in support of certain Interest Rate futures and options products traded on the CME Globex® platform ("Program"). The proposed Program will become effective on December 22, 2011.

Exhibit 1 sets forth the terms of the proposed Program.

CME business staff responsible for the Program and the CME legal department collectively reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodities Exchange Act ("CEA"). During the review, CME staff identified the following Core Principles as potentially being impacted; Prevention of Market Disruption, Execution of Transactions, Protection of Market Participants, and Compliance with Rules.

The proposed Program's incentive structure does not incentivize manipulative trading or market abuse and does not impact the Exchange's ability to perform its trade practice and market surveillance obligations under the CEA. The Exchange's market regulation staff will nevertheless continue to monitor all market participants that trade under the Program to prevent manipulative trading and market abuse. The incentives in the proposed Program do not impact the Exchange's order execution. Participants in the Program will be selected by the Exchange's staff using criteria as further stated in Exhibit 1. Chapter 4 of the Exchange's rules includes prohibitions against fraudulent, non-competitive, unfair or abusive practices. The proposed Program is subject to these rules.

CME certifies that the Program complies with the Commodity Exchange Act and the regulations thereunder. There were no substantive opposing views to this Program.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at <http://www.cmegroup.com/market-regulation/rule-filings.html>

Mr. David Stawick  
December 7, 2011  
Page 2

If you require any additional information regarding this submission, please contact Robert Lev at 312-930-3019 or via e-mail at [robert.lev@cmegroup.com](mailto:robert.lev@cmegroup.com), or contact me at 212-299-2200. Please reference our CME Submission No. 11-485 in any related correspondence.

Sincerely,

/s/ Christopher Bowen  
Managing Director, Chief Regulatory Counsel

Attachments

# **EXHIBIT 1**

## **CME Eurodollar/Euroyen/Euribor Volume Incentive Program**

### **Program Purpose**

The purpose of this Program is to incentivize Program participants to trade certain Interest Rate futures and option products on the CME Globex® Platform. The resulting increase in liquidity on the CME Globex® platform benefits all participant segments in the market.

### **Product Scope**

The following CME Interest Rate futures and options products available for trading on the Globex® Platform ("Products"):

Eurodollar Futures and Options  
Euroyen Futures and Options  
Euribor Futures and Options

### **Eligible Participants**

There is no limit to the amount of participants that may participate in the Program. All CME Rule 106.H, 106.N and 106.R members and all participants in the following incentive programs are automatically eligible to participate:

- Asian Incentive Program ("AIP")
- International Incentive Program ("IIP")
- Latin American Bank Incentive Program ("LABIP")
- Electronic Corporate Member Waiver Program ("ECM-W")
- Latin American Fund Manager Incentive Program ("FMIP")

### **Program Term**

Start date is December 22, 2011. End date is December 31, 2012.

### **Hours**

The incentives will apply to all trades made in the Product regardless of the execution time.

### **Program Incentives:**

Each participant shall be eligible for the following incentives for trading volumes in excess of 15,000 contracts per month:

#### **Progressive Tiered Volume Incentives**

Participants will be charged monthly reduced progressive tiered discounted fees for contract sides traded in the Products in accordance with the following:

<b>Monthly Volume (in Sides)</b>	<b>Discount</b>	<b>All-In Rate (Globex Execution Fees + Clearing fees)</b>
0-15K	\$0.00	\$0.44
15-50K	\$0.10	\$0.34
>50K	\$0.20	\$0.24